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Application No. 09/942,426
Amendment dated January 12, 2007
Reply to Office Action of September 12, 2006

Docket No.: E3331.0525

REMARKS

Claims 1-10 and 12-24 are pending. Claims 1-7, 12 and 13 have been amended. Claim 11 has been cancelled without prejudice. Claims 15-24 have been added to provide Applicant with a more complete scope of protection.

Claims 1, 12, 13, 14, 23 and 24 are the only independent claims.

Claims 1, 2, 8, 9 and 12-14 were rejected on the ground of obviousness-type double patenting over certain claims of U.S. Patent 7,024,386 (Mills). Claims 1-14 were rejected under 35 U.S.C. § 102(e) over Mills. Claims 1-14 were also rejected under 35 U.S.C. § 102(f) over Mills. Applicant traverses.

Amended independent claim 1 is directed to a computerized trading system for trading instruments between trading parties. The system includes, *inter alia*: a plurality of trader order input terminals connected to a communications network, each for inputting orders into the system and for generating electronic orders including bid and/or offer orders and for communication to traders of order information received from other input terminals over the network; at least one broker order input terminal connected to the communications network for inputting orders into the system and for generating electronic orders including bid and/or offer orders on behalf of a selected one of a plurality of client traders and for communication to a broker of order information received from other input terminals over the network; at least one matching engine computer connected to the network for matching bid and offer orders input into the system from the order input devices and for selectively executing deals where prices are matched; and one or more market distributor computers connected to the network for distributing order information to the order input terminals, the one or

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more market distributor computers being responsive to the order information and the matching engine computer, and the one or more market distributor computers also distributing to the trader order input terminals an indication of the amount of the market in the instrument being traded that has been input from the at least one broker order input terminal.

Claim 1 distinguishes between a trader order input terminal and a broker order input terminal. In the first place, it is clear from the sections of Mills cited in the Office Action that the Office Action is reading the broker order input terminals on Mills' "broker nodes." However, this is not correct. As is made clear at col. 5, lines 38-60, the broker nodes of Mills are not "for inputting orders into the system and for generating electronic orders including bid and/or offer orders on behalf of a selected one of a plurality of client traders" as recited in claim 1. Mills' "broker nodes" perform the *matching engine* function, the *market distribution* function, and *execute deals*. The broker nodes do not allow for inputting of orders; they are for matching and executing *already entered* orders.

Moreover, claim 1 further recites that an indication of the proportion of a given market that has been entered into the system by one or more brokers is provided. That is, a trader using a trader order input can know what proportion of the market has been entered by a broker, on behalf of someone else, as opposed to entered by other traders.

As a result, the trader can tell how much of the market is trader-entered and how much is broker-entered. For example, in one disclosed embodiment, this is a simple bar display at the trader terminals which shows the broker amount between 0

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Docket No.: E3331.0525

and 100%. This would be useful for a trader to know, as a trade conducted with a broker as a counterparty will be very much slower than one conducted with a trader as a counterparty.

A broker would typically have to confirm a possible deal with a client, usually by phone, which will slow down the automated trading process considerably. The recited indication to the trader would give the trader a much better appreciation of the likely response he will get if he attempts to trade. This feature is not taught or remotely suggested by Mills. For at least this additional reason, amended claim 1 is clearly patentable over Mills. Independent claim 13, and claim 14, which has not been amended, recite a similar feature and are believed patentable for a substantially similar reason.

New claims 23 and 24 recite, inter alia, that the trader order input terminals only display to the trader the best orders in the market, , while the broker order input terminals display the full market book to the broker. This feature is neither taught nor suggested by Mills. Moreover, as discussed above, Mills contains no teaching of broker order input terminals, that is, terminals used by brokers, as opposed to traders, to enter orders on the system. For at least the foregoing reasons, claims 23 and 24 are patentable over Mills.

Claim 12, which has been amended only as to informalities, and without narrowing its scope, recites, inter alia, that trades conducted between trader order input terminals are anonymous as to the parties until completion of a trade, while trades in which the broker order input terminal is a party require disclosure of the parties to the trade prior to completion of the trade.

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Docket No.: E3331.0525

That is, where both parties to a trade are traders, the parties remain anonymous until the trade has been completed, but where one party is a broker, the identity of the parties is given up before the trade has been completed. In an example situation, a broker assisted deal might not be allowed to be completed without the broker getting approval from his client, which would require that the counterparty name be given up at this stage.

Mills neither teaches nor suggests the releasing the identity of the parties to a deal at different times depending on whether or not a broker, i.e., one who trades on others' behalf, is involved in the deal. For at least the foregoing reasons, claim 12 is believed clearly patentable over Mills.

In view of the above, it is believed that the double patenting, and various Section 102 rejections are obviated.

The other claims in this application are each dependent from one or another of the independent claims discussed above and are therefore believed patentable for the same reasons. Since each dependent claim is also deemed to define an additional aspect of the invention, however, the individual consideration or reconsideration, as the case may be, of the patentability of each on its own merits is respectfully requested.

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Docket No.: E3331.0525

In view of the foregoing amendments and remarks, Applicant respectfully requests favorable reconsideration and early passage to issue of the present application.

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Respectfully submitted,

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